



DELAWARE CITY FIRE COMPANY, NO. 1, INC.
815 5TH STREET
P.O. BOX 251
DELAWARE CITY, DELAWARE 19706-0251

Delaware City Fire Company Documented Administrative Policies		
Annual Budget & Expenditures		
Policy #: 15-002	Original: February 3, 2017	Revised: July 2022
Approval: Company Floor		Date: 7/6/2022

Objective: The objective of this policy is to establish an annual operating budget and to outline how routine, emergency and capital expenditures will be managed within the Delaware City Fire Company.

Budget Implementation

- 2.0 The fiscal year of the Delaware City Fire Company is based off of a calendar year and will begin on January 1st and end on December 31st of each year.
- 2.1 The Board of Directors will be responsible for implementing a balanced budget, on an annual basis, prior to starting a new fiscal year. New fiscal year budgets will be finalized at the regularly scheduled Board of Directors meeting held in December of each year.
- 2.2 Final budgets will be presented, and adopted by the membership, at January's regular company meeting.
- 2.3 Budget requests from all fire line officers will be due to the Fire Chief, and all administrative budget requests will be due to the President, by October 1st of each year. This will provide an adequate amount of time to review budget submissions prior to December's Board of Directors meeting.

Routine Expenditures

- 2.3 All routine expenditures will be approved by the company at a regularly scheduled company meeting.
- 2.4 The following officers of the Delaware City Fire Company may authorize expenditures up to \$500.00 that has been pre-approved in the annual operating budget. The officer's must inform the Board of Directors at the following Board of Directors meeting and follow the proper purchase order procedure outlined in this policy.
 - 2.4.1 President
 - 2.4.2 Chief
 - 2.4.3 Chairman, Board of Directors
 - 2.4.4 Chief Engineer
 - 2.4.5 EMS Supervisor



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- 2.5 A purchase order will be completed for all purchases and processed by the Administrative Assistance. All completed fire line purchase orders will be given to the Fire Chief for review and authorization for payment; all administrative purchase orders will be given to the President.

Emergency Expenditures

- 2.7 Emergency expenditures are defined as the following:
- 2.7.1 The necessary expense required to have a vehicle or piece of apparatus towed, repaired, or returned to service as quickly as possible.
 - 2.7.2 The necessary expense required to operate the building in a safe and healthy environment.
 - 2.7.3 The necessary expense required for immediate medical treatment of any fire company personnel injured while performing their duties.
 - 2.7.4 The necessary expense associated with a weather, environmental, or unplanned emergency situation.
- 2.8 The Board of Directors will pre-approve emergency expenditures in the amount of \$5,000 by the officers listed in section 2.4 of this policy.
- 2.9 A purchase order, and accompanying documentation, will still be required for emergency purchases, as outlined in this policy.
- 2.10 Catastrophic failures of any asset owned by the Delaware City Fire Company, that exceeds \$5,001 in repair costs, must be approved by the Board of Directors. If necessary, a special Board of Directors meeting will be called to discuss the necessary corrective action.

Capital Expenditures

- 2.11 All capital expenditures of the Delaware City Fire Company will be approved by the Board of Directors. No member of the company is permitted to obligate the company to any type of loan unless expressly approved by the Board of Directors and membership.
- 2.12 Capital expenditures will be defined as, but not limited to the items listed below:
- 2.12.1 The replacement of any vehicle or piece of apparatus; including the marine units.
 - 2.12.2 The replacement of any major building component
 - 2.12.3 Any major purchase not included in the annual operating budget
 - 2.12.4 The capitalization rate for the department is set at \$2,500.00.



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2.13 The Long Range Planning Committee will be responsible for establishing a comprehensive plan for the upgrade and replacement of all assets owned by the Delaware City Fire Company

2.13.1 The comprehensive plan will be submitted to the President in October of each year with annual budget submissions.

2.13.2 The Board of Directors will approve the comprehensive plan, as submitted, or edited as they deem necessary, which will ultimately serve as the annual capital budget.

Internal Control Practices

2.14 Credit cards will only be issued to those officers with a legitimate business need. Cards will not be used for cash withdraws and all purchases will be accompanied by a Purchase Order with a description of each purchase.

2.15 Debit cards will not be used or issued by the company.

2.16 Cash advances will not be issued by the company, with the exception of a 'Petty Cash Fund' of \$300.

2.17 All checks will be signed by the President, Treasurer, and Chairman of the Board of Directors. Signature stamps will not be used.

2.18 Our investment firm will mail a monthly statement to the company each month that will be reviewed by the Board of Directors. The report will show a balance sheet with all investment activity for the month. An Investments Committee will be appointed by the President and report to the BOD each month on the amount of our investments and rate of returns.

2.19 The Investments Committee will recommend, to the Board of Directors, how our investments will be allocated. There will be no transferring of investment funds without the approval of the Board of Directors.

2.20 All assets owned by the company will be recorded and reviewed annually by the Board of Directors.